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DPS-1643  
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CONTRACT NO. HF-32-27  
PERKIN-ELMER CORPORATION  
Norwalk, Connecticut

CONTRACT NEGOTIATION

1. Contractor submitted on 16 June 1958 its proposal for a product improvement program on the "C" Configuration. This proposal was submitted at the request of [ ] and other representatives of [ ]. It was based upon a statement of work generated at a meeting at [ ] on 22 May 1958, attended by representatives of the Contractor, Hycon Mfg. Company, Project, and [ ].

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2. The Contractor proposed statement of work was reviewed and found to be consistent with that developed at referenced meeting. Contractor's cost breakdown and that of its subcontractor which represented over 50% of the total cost was also analyzed. The following comments are pertinent:

(a) The labor, overhead and G&A rates quoted by Contractor and subcontractor are consistent with those rates currently approved by [ ] for use in other contracts with the Project.

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(b) The man hours and materials quoted by Contractor appear fair and reasonable for the work to be accomplished. The work involves a great deal of trial and error type effort and is subject to change and improvisation as the work progresses and consequently, is difficult to estimate or substantiate. Therefore, Contractor's estimate of costs was accepted without change.

(c) Contractor requested a fee factor of 8% on its effort and 5% on the subcontracted portion. Total fee dollars are [ ] which represents 6.4% of the total estimated cost of [ ]. The fee was accepted as being fair and reasonable and no further adjustments were made.

3. In view of the foregoing, Contractor's proposal is recommended for acceptance without change.

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CONCURRENCE:

FOIAB3A

Negotiator

Contracting Officer, DPS/DCI

DPS/DCI:JMcD:pf

Distr:

Orig - HF-32-27 (Prop.Sec.)

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